



STATE OF WASHINGTON

DEPARTMENT OF INFORMATION SERVICES

Olympia, Washington 98504-2445

January 5, 2010

The Honorable Karen Fraser
Capital Budget Vice Chair
P.O. Box 40422
Olympia, WA 98504-0422

The Honorable Joseph Zarelli
Senate Ways and Means Ranking Minority
P.O. Box 40418
Olympia, WA 98504-0418

The Honorable Margarita Prentice
Senate Ways and Means Chair
P.O. Box 40411
Olympia, WA 98504-0411

The Honorable Hans Dunshee
House Capital Budget Chair
P.O. Box 40600
Olympia, WA 98504-0600

The Honorable Judy Warnick
House Capital Budget Ranking Minority
P.O. Box 40600
Olympia, WA 98504-0600

The Honorable Kelli Linville
House Ways and Means Chair
P.O. Box 40600
Olympia, WA 98504-0600

The Honorable Bill Hinkle
House Ways and Means Ranking Minority
P.O. Box 40600
Olympia, WA 98504-0600

Dear Senator Fraser, Senator Prentice, Senator Zarelli, Representative Dunshee, Representative Linville, and Representative Hinkle:

In compliance with, and pursuant to the 2009-2011 Capital Budget Section 6013(8), I am submitting this study to the Legislature.

In 2009, the Department of Information Services (DIS) received authorization from the Legislature for construction of a state data center and office building in the Capital Budget, Section 6013(8). The authorization also required submission of a plan to legislative fiscal committees outlining the consolidation of independent agency data centers to achieve cost savings to offset higher facility costs.

The Unisys Corporation, a long-term provider of services to the State, was selected to implement the study and recommend a plan. Unisys partnered with Excipio Consulting for the purpose of this study. The two companies have a history of successfully partnering to deliver consolidation, virtualization and optimization projects to their clients and have recently completed similar studies for the states of Michigan and Minnesota.

January 5, 2010

Page 2

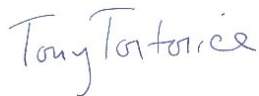
Concurrently, the State Auditor's Office contracted with TPI, Inc. to do a study on the total cost of ownership for state agency IT departments (particularly for servers), to define a baseline for rate setting by DIS. The results of this study were also due in December, 2009.

While both studies had significant differences in their approach to the data, the data analyzed from the agencies was substantially the same. Ultimately, both make strong recommendations for consolidation of email, servers, and other shared services into the new state data center. The reports should both be taken in consideration to provide a solid understanding of many of the consolidation issues facing the State.

The Unisys report does not include a comprehensive and detailed schedule for the migration to the State Data Center. This will require additional, more detailed planning, that takes agencies' peak work and periods, level of risk and refresh cycles into account. Overall, state agency migration to the new state data center will take between two and four years. This process can be accelerated by adopting some of the recommendations in this report.

We are happy to schedule time with you to review the report, or answer any questions you may have, at your convenience.

Sincerely,

A handwritten signature in blue ink that reads "Tony Tortorice". The signature is written in a cursive, flowing style.

Tony Tortorice
Director

cc: Steve Masse
Brian Sims
Steve Smith
Jenny Greenlee
Tristan Wise
Heidi Hughes